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**IMPORTANCE OF CUSTOMER SERVICE IN RESTAU-  
RANT BUSINESS**

**Thesis**

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<p>The purpose of this thesis was to help restaurants to recognize the potential and new customers, while maintaining better relationships with the regular ones, and to acquire loyal customers for the growth and sustainability of the business. Further, it also discusses the importance of customer service, shortcomings and possible solutions.</p> <p>This thesis is based on qualitative research method and it is totally subjective to individual experiences. The main focus was to study the selected ethnic restaurants in Kokkola, along with their customers, in terms of customer service. The questionnaires were provided one to each of the representatives of the restaurants, and two of them were distributed to the respective but random customers, whoever the personnel selected. In total, seven restaurants were provided with the questionnaires but only five of them did respond. A part of this thesis is confidential as it deals with vital personal information.</p> <p>According to the research results, the restaurants in Kokkola have not been able to provide optimal quality of customer service to the expected level and there has not been a real policy in treating first time customers. The communication between customers and restaurant staff members has not been to the required level. Hence, there has been a room for improvement in the areas of customer service and customer satisfaction. Also, there has been a difference in perception between the staff of the restaurants and the customers. Therefore, it is recommended that the restaurants a special way to deal with their new customers in order to increase their satisfaction level through improved service quality, maintaining relationships with them so that the new customers become their loyal customers for the sustainability and growth of their business.</p>		
<b>Key words</b> Customer loyalty, customer satisfaction, customer service, restaurant business		

## **FOREWORD**

First of all, I just like to thank God.

I would like to thank all the teachers from Centria University of Applied Sciences, who perpetually assisted me throughout the period of preparation of this thesis. I am deeply indebted to Birgitta Niemi and Janne Peltoniemi for their invaluable guidance, supervision, support and reassurance.

I would like to extend my sincere gratitude towards all the involved staff members and the customers of the five restaurants in Kokkola, who provided me with an opportunity to conduct the relevant surveys.

My hearty thanks go to all the cordial friends who prayed for me and personally encouraged me to accomplish my thesis. My earnest thanks go to dear friends Charity Kamau Njeri and Henock Girmachew Mullissa, who personally assisted me to acquire a disciplinary attitude during the preparation of the thesis.

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## 1 INTRODUCTION

Kokkola city is a home for 46,697 inhabitants. Out of which, 22,946 are males and 23,795 are females ([www.world-population.net](http://www.world-population.net)). It is situated in the western region of Finland and has its proximity to the Baltic Sea (Gulf of Bothnia), across which is the neighboring country, Sweden.

Kokkola is a bilingual city ([www.kokkola.fi](http://www.kokkola.fi)), where 84.3 % of the population speaks Finnish whereas 13.4 % speak Swedish as their mother tongue. The remaining 2.3 % speak other languages. Amazingly, people are found to be pretty fluent in even the other languages, like English and many European or other major languages of the world like Spanish, French, German, Portuguese and so on, let alone any or both among the two main languages of this region. Nonetheless, the traditions here are quite a mix from the historical era. Therefore, it would not be a mistake to call it a multi-cultural and multi-lingual city. Many immigrants who came as students, employees or refugees to Finland have made this city their new home as well. There are Christians, Hindus, Buddhists, Moslems and some other religious groups residing in this area. That means, from religion point of view as well, Kokkola is a truly diverse city. So, all this adds up to a growing intercultural population longing for more and more choices as they come from various different backgrounds.

It is a fast growing city in terms of area and economy, no doubt. With affiliation to Kälviä, Lohtaja and Ullava – the surrounding provinces – Kokkola has expanded its territory in the year 2009. Most commercial places are also expanding more and more, like Heinolankaari area, where many newer and bigger shops are established in the last few years, K-Citymarket, for example. The needs and wants are unlimited. And with growing ethnic population, the food industry is also a huge demand. That is why, in this thesis, we focus on one of the most crucial representatives of food industry, which are called restaurants, especially, the restaurants in the city center area of Kokkola.

It is a small town yet, in terms of business, though it has much potential to incline to a higher in future. One of the most chosen places to hang out during the harsh seasons like winter and autumn or just to enjoy the beauty of spring following the zest of the glorious

summer are the place where people find food and drinks. And, yes, a restaurant is the first thing people think about. There are just over 50 places as options for the population of Kokkola to have food and drinks, of which, some places are limited only in summer season and many of them are not a real restaurants but either little cafés or fast food chains ([www.kokkola.fi](http://www.kokkola.fi)).

The restaurants here are not that many that they cannot be easily counted by anyone in a few moments and that is why they are in a tough competition to each other for sure. However, they surely have varieties to choose from when it comes to the origins and types of food they serve. Due to less choice for the customers and more competitive nature of the market for the restaurants, it has become quite challenging for the restaurants to succeed to the most possible level, leaving both the restaurant and the customers unsatisfied to some level. Since, for any business, customers are significant and inseparable part for its sustainability and growth, it is very crucial for a restaurant to establish a long-lasting relationship with its customers to the optimum level for the growth and sustainability of the business.

It definitely is challenging to attract customers and make them come back again but it is the only possible option for a business to survive. To make a customer return to the same restaurant, it can be sometimes quite challenging. However, it cannot be that hard if the restaurants focus on knowing the preferences and choices of just more than what the customers want, and possibly knowing, what they do not want as well.

### **1.1 Aim of the Thesis**

The aim of this thesis is to introduce the ways to attract new customers through customer service and help the restaurants to acquire loyal customers. Moreover, the purpose of this thesis is to suggest to a restaurant to recognize their new customers and establish a better relationship with them so that they become their return customers.

It is universal that a restaurant business is like any other business. It has risk, and it has rewards. Without risk, there is no reward. However, a smooth operation alongside a proper

customer service can help it to minimize the risk and gain more reward. That is why the research targets to acquire the answers for the following questions:

How important role does customer service play in a restaurant business?

Are the needs/demands of the customers really met by restaurants in Kokkola?

Are there any possible ways to increase loyal customers?

## **1.2 Methodology**

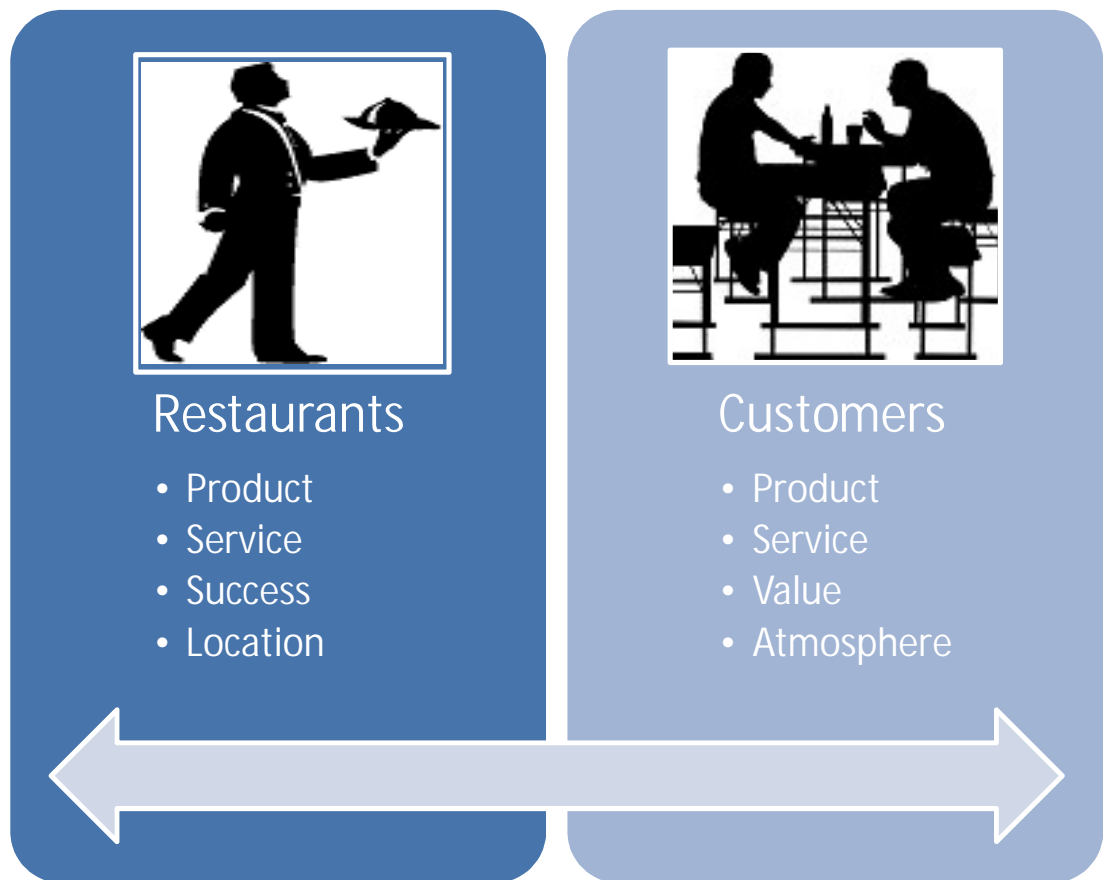
The thesis was based on the qualitative research method as it was used to study individual opinions of the selected staff member of each of the restaurants and each of the random customers. Hence, the research was viewed as subjective and not expected to be generalized. The procedure was carried out as elaborated further.

Randomly, some seven restaurants were provided with the survey questionnaire. The request was turned down totally by one of the restaurants. The survey questionnaires were lost among their files, as admitted by the next restaurant. Eventually, the remaining five restaurants were included in the survey enough to go for as randomly picked samples for this thesis survey. The restaurants were chosen as they were selected to be from different ethnic backgrounds in terms of the food they served to their customers which was found to be quite interesting.

The restaurants were provided with three copies of two different types of questionnaire (see Appendices 1 and 2) each, one for the owner/staff and the two for any random customers. In total, fifteen questionnaires were returned answered out of all, after distribution. This survey was conducted during the month of July, 2014. The expected time of return was by September. All of them were returned, but later than expected. For customers to answer, the questionnaire consisted of just closed questions only. They were provided with one or more options to choose from. On the contrary, both open and closed questions (with or without options) were provided to the restaurants to answer. The responsibility of conducting the survey was held by the restaurants voluntarily as it provided ease to the situation.

The survey was anonymously carried out because it depicts the sensitive information about the restaurant business. Moreover, it was done anonymously for the interest of privacy of both the parties i.e. restaurants and customers involved. That is why, throughout this thesis, the restaurants are referred to as restaurant 1, restaurant 2, restaurant 3 and so on.

The main idea of the survey was to compare the two perspectives i.e. the same or similar factors about the restaurants but from the perspective of both the restaurant and the customers involved. Inspired by the rating system about many restaurants, cafes and hotels around the world ([www.tripadvisor.com](http://www.tripadvisor.com)), the questionnaire consisted of questions mainly related to the following factors that were requested to the restaurant personnel and their random customers as follows:



GRAPH 1. Restaurant and customer perspectives (adapted from [www.tripadvisor.com](http://www.tripadvisor.com))



### **1.3 Limitations**

This thesis is limited to ethnic restaurants only, which neither serve fast food nor are open during a certain season like summer only. The main reasons for choosing these types of restaurant are because of the facts that the city of Kokkola is becoming multicultural day by day due to the integration of immigrants and international students to this society, and Finns in this region are found to be learning to accept the foreign culture more and more.

## **2 CUSTOMER SERVICE IN RESTAURANT BUSINESS**

According to Dictionary.com, a restaurant is defined as a commercial establishment where meals are prepared and served to customers. Food and drinks along with service are what a restaurant sells. They create a unique culture everywhere in the world. Food culture is a pattern of food and beverages that mirrors to values of a specific society and culture. (Solomon 2004, 214) A restaurant business, hence, is part of a food culture in our society as it reflects even the subcultures of the society.

According to Dictionary.com, a customer is a person who purchases goods or services from another; buyer; patron. However, Grönroos argues that customers do not buy goods and services but benefits they acquire through purchasing them and the final offer in any purchase to the customers by a given firm is service, regardless of what they produce. (Grönroos 2007, 4)

### **2.1 Customer Satisfaction and Loyalty**

Customer satisfaction measures how well the expectations of a customer concerning a product or service provided by your company have been met ([www.education-portal.com](http://www.education-portal.com)). Customer satisfaction is an abstract idea that deals with the factors like quality of product/service, value of product/service in relation to price, timeliness of the product/service concerning the availability and delivery, atmosphere of selling point, service and sanitation issues as well as convenience matters.

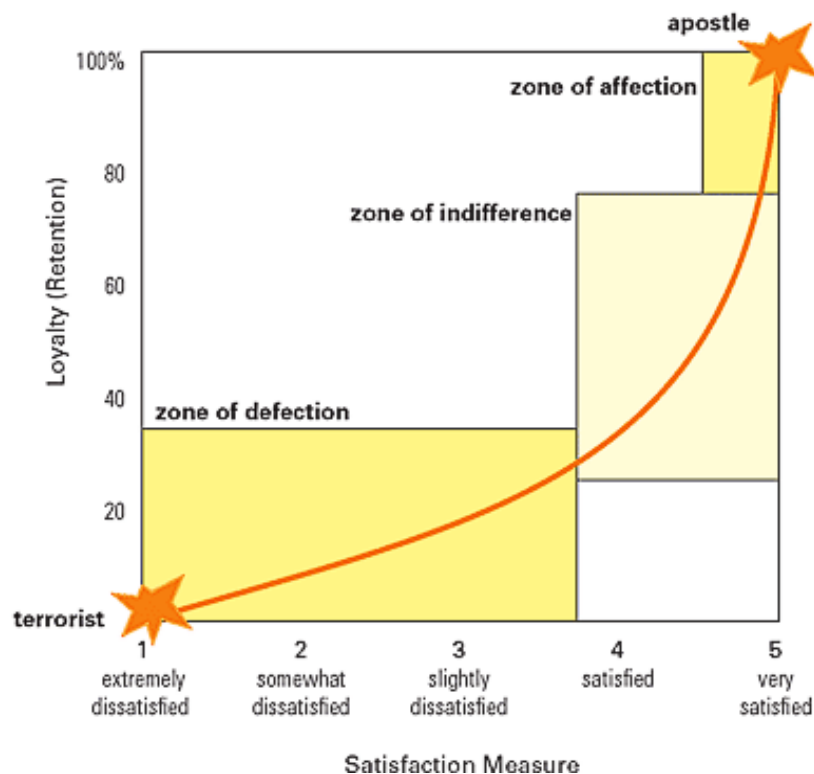
A satisfied customer is usually a loyal customer. (Heskett, Jones, Loveman, Sasser, Jr., Schlesinger 2011, 70-71) Customer loyalty is the willingness of someone – a customer, an employee, a friend – to make an investment or personal sacrifice in order to strengthen a relationship. (Reichheld 2011, 43)

True loyalty is just not about repeat purchasing goods or service. To a customer, it could be a result of being trapped by inertia, indifference or simply that the exit barriers are built up by the firm itself or a circumstance, instead. It is totally depending upon the choice of a customer either to re-interact with the same firm or not. Hence, it does not really define the

loyalty of a customer to a firm by just gauging the frequency of the purchases. In a long term, a loyal customer, however, benefits the firm involved and brings in more customers in through the process of word of mouth. (Reichheld 2011, 43)

About a new restaurant or the long existed one, the information describing the pros and cons of it are spread out to the others via the ones who have had first time impressions about the restaurant. It could be either positive or negative information that comes up after a customer experiences the goods and/or service in a particular restaurant. Then the customer, who spreads the information as a 'promoter' via word of mouth influences the business by either bringing in more customers or shoohing them off. (Reichheld 2011, 53) The one spreading negative information is called a 'terrorist' and the one who spreads positive information is called 'apostles'. A firm must always aim for lesser terrorists and more apostles. (Heskett et al. 2011, 70-71)

### A Satisfied Customer Is Loyal



GRAPH 2. Satisfaction measure (adapted from Heskett et al. 2011, 71)

Customer service is the willingness and capability of an individual or a group to serve customers. (Henriksson, R. 2014, 22) The success of customer service, however, depends upon the satisfaction of the employee or internal customers within the firm and the satisfaction of the customers, resulting into better human relationships among the two parties. Hence, higher the employee satisfaction, higher is the customer satisfaction and higher is the profitability and growth. (Fitzsimmons, J. A., Fitzsimmons, M. J. & Sanjeev Bordoloi 2014, 104-107)

There are fifteen universal skills that every customer service personnel should be equipped with, which define the success or failure of a business in many ways (Ciotti 2014). A good customer service has good service quality. Service quality is a term not so easy to define unless we consider the factors like reliability, responsiveness, assurance, empathy and tangibles. These five dimensions are what customers base their judgments on regarding service quality, comparing the gap between expected service (ES) and perceived service (PS). The gap is what defines the negativity or positivity of the received satisfaction. (Fitzsimmons et al. 2014, 143-144)

The expected service delivered on time, in the same manner, and without any errors every time can be referred to as reliability. In this case, as promised to the customers by the firm, the service quality is determined by the dependability and precision.

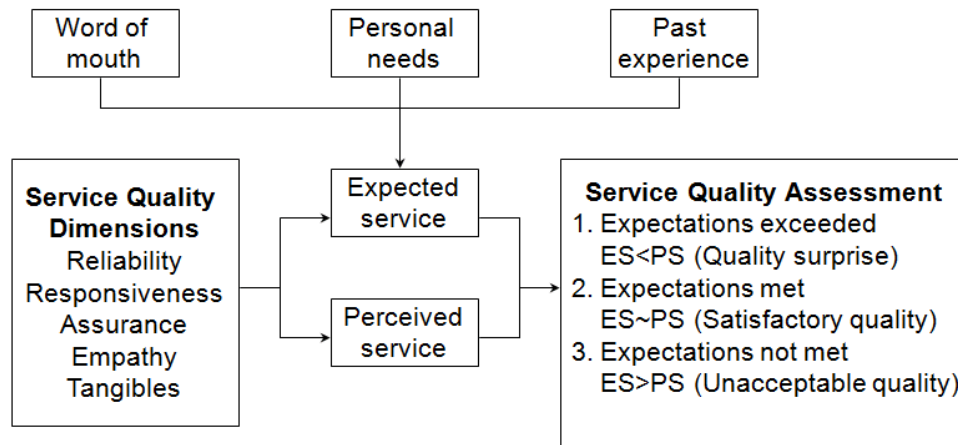
Responsiveness means to be ready enough to assist the customers to provide service whenever needed. That means, no waiting for any unclear reason, which can create the negative customer satisfaction.

Assurance is relevant to the knowledge and benevolence of the staff along with their ability to deliver trust and confidence to the customers. The main factors that determine assurance are: capacity to perform the service, politeness and respect for the customers, effectiveness in communicating with the customers, and the best interest of the customers are taken seriously.

Empathy is based on approachability, sensitivity and effort to understand the needs of every individual customer assist to maintain them in a service. It, in short, is the arrangement of caring, individualized attention to each of the customer.

To facilitate the customers with all the needed materials are referred to as tangibles. The presence of substantial facilities, equipment, staff and communication items can be viewed as tangibles. In case of a restaurant business, it could be cleanliness, cash machine, utensils, tissue papers, salt and pepper, etc.

When all these five factors are compared based on the expected and perceived service, the outcome is the perceived service quality that determines the satisfaction of the customers. (Fitzsimmons et al. 2014, 144-145)



GRAPH 3. Perceived service quality (adapted from Fitzsimmons et al. 2014, 144)

## 2.2 Characteristics of a Good Restaurant

A good restaurant has some special qualities, among many. A website dedicated to small businesses, a good restaurant has such significant qualities that distinguish itself from the rest of the average ones (www.chron.com). A positive staff with an attentive attitude is always a plus to a restaurant that apt to recognize itself as the above average one. The server is supposed to know the menu well and should serve all the orders in a good time. He or she should also is expected to react swiftly in case of urgency or in order to bring anything under discussion that might have been a need or want of any of the customers. In addition to that, the server should as well take part in the clearing out the used utensils and tissues and cleaning the areas where the customers usually come around to. Every single order is

served with the same high standard quality of food with service. Moreover, an experienced cook at the kitchen, who understands the order preferences, along with the optimum knowledge of quality ingredients, makes it possible for the food to maintain its standard all the time. When good quality food is served along with a good service, the customers are bound to return once they visit. (Keythman 2014)

Hygiene factor is crucial in every food industry but, without any doubt, restaurants in Finland are perceived to be of the optimum standard regarding cleanliness, hygiene and sanitation. According to Evira, the Finnish Food Safety Authority, all persons working in the food business must have basic knowledge of food hygiene, so that they can safely handle food. Cleanliness and hygiene, along with sanitation and proper garbage disposal, play very important roles in maintaining overall standard and success of a restaurant business.

The Food Hygiene Proficiency Certificate, i.e. Hygiene Passport, was developed to promote food safety. Employees must have a Hygiene Passport if they in their work handle unpackaged easily perishable foods. Such foods are, for example, milk, meat and fish. Cafeterias, restaurants, institutional kitchens, various kiosks, fast-food restaurants, food stores, for example, and also many factories manufacturing foods are work places where the employees are required to have Hygiene Passports. Food hygiene proficiency is regulated by the general EU regulation on the hygiene of foodstuffs (852/2004/EU, Appendix I, part A section 4 subsection e and section 5 subsection d, as well as Appendix II Chapter 12 section 1) and the national Food Act (23/2006, amendment 1137/2008). (Finnish Food Safety Authority Evira 2014)

### **2.3 Reasons for Customers to Visit a Restaurant**

Before we move on to the reasons part, let us quickly find out how the customers come to know about a restaurant, generally. The sources of information about knowing where and how the customers came to know about an existing restaurant can be of great interest for the business. There are various ways how a customer comes to learn about a business. However, sometimes, only random visit passing by can be of great adventure.

According to Robert Christie Mill (2007, 5), to know about a restaurant's existence in vicinity, there are seven main sources of information. They are as listed below:

- Family members and personal friends
- Other restaurant owners
- Trade associations
- Printed sources
- Customers
- Food and equipment vendors
- Bankers, lawyers and accountants

However, one of the most crucial sources of information in today's world is called internet. By the second quarter of the year 2014, the world population that has access to internet has been 7,182,406,565 ([www.internetworldstats.com](http://www.internetworldstats.com)). Since, the global population is so much influenced by the availability of the net it has changed their buying behavior with a huge impact. Google calls this online decision making moment as the ZMOT (Zero Moment of Truth). It has been coined in first by Google in their 2011 e-book called 'ZMOT: Winning the Zero Moment of Truth', written by Jim Lecinski, the Vice President of Americas Customer Solutions, Google.

The website ([www.thinkwithgoogle.com](http://www.thinkwithgoogle.com)) further elaborates this concept. In brief, it is about making a decision by a customer of purchasing a particular good or service based on the research they just did online by checking the reviews, background information and other details about it at the moment by the help of internet. (Lecinski 2014)

Hence, customers usually come to know about an existing restaurant via the following eight significant sources of information:

- Family members and personal friends
- Other restaurant owners
- Trade associations
- Printed sources
- Customers

- Food and equipment vendors
- Bankers, lawyers and accountants
- Internet and social media

According to Robert Christie Mill (2007, 7), the main reason for a customer to visit a restaurant, is either to receive utility or pleasure. Utility means, in this sense, is the act to restore or refill ourselves with food and/or beverages as necessity. For example, a person who is craving for food and/or drink is fulfilling his/her need for those things by visiting a restaurant and acquiring the urgent requirements. The main idea in this situation is to refuel the body and satisfy the natural as well as physical need by quenching the thirst or overcome the hunger. On the other hand, pleasure means to wine and dine but it would not be the primary goal but a secondary behind having fun or just to hang out with friends or family, or just to have a quiet time for oneself. For example, a person, who is interested in writing, sits down in a restaurant and sips coffee for a while. In such a situation, he/she is most probably not in an urgent situation to drink a cup of coffee but rather he/she is having it as a pleasant idea to concentrate enjoying the flavor of it. (Mill 2007, 7)

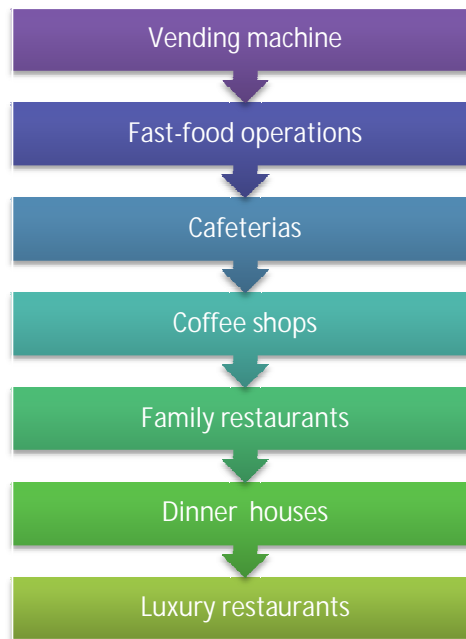
In terms of utility and pleasure, the food service operations can proceed as follows:

- Vending machine
- Fast-food operations
- Cafeterias
- Coffee shops
- Family restaurants
- Dinner (buffet) houses
- Luxury restaurants

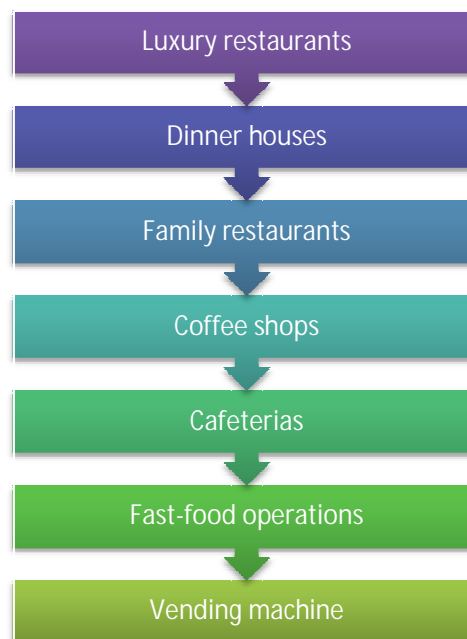
As Mill elaborates representing the relationship between utility and pleasure as well as price and service, the following diagrams put some more light to the concept. In terms of utility, it proceeds in descending order. So, the utility is the priority for any customer. But when pleasure is the prime, the choice appears in ascending order. In short, higher the utility, higher is the pleasure and vice versa; lower the service, lower is the price and vice versa (Mill 2007, 8-9). Consequently, a customer who seeks utility in most cases opts for a



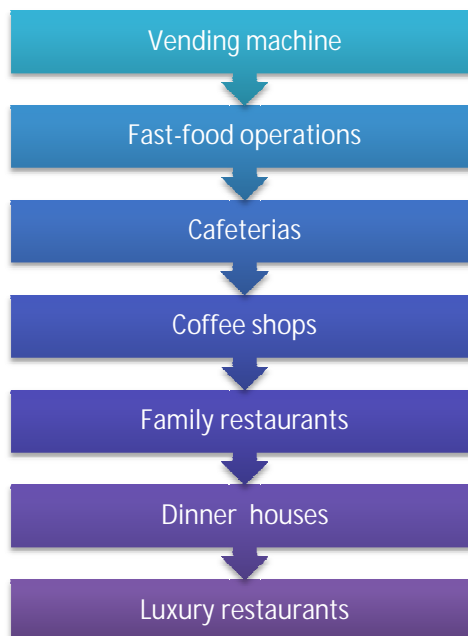
low service and low price option to satisfy his/her need but a customer who is looking for pleasure prefers a high service and high price option (Mill 2007, 7-9).



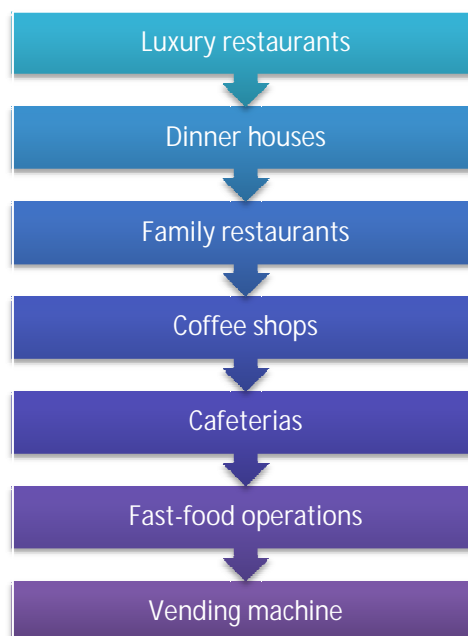
GRAPH 4. Utility is the priority (adapted from Mill 2007, 7-9)



GRAPH 5. Pleasure is the priority (adapted from Mill 2007, 7-9)



GRAPH 6. Price is the priority (adapted from Mill 2007, 7-9)



GRAPH 7. Service is the priority (adapted from Mill 2007, 7-9)

## 2.4 Perceptions: Restaurants vs. Customers

The survey has been viewed from the two perspectives i.e. from the perspective of each of the restaurants and from the perspective of each of their two randomly chosen respective customers. The main idea was to compare their perspectives and find out the difference, if any, and study the areas which would be with the differences. The procedure was followed as mentioned further.

Basically, the restaurants were expected to give their frank opinion to rate themselves on the basis of the mentioned four criteria i.e. quality of food and beverages as products, quantity or service quality of staff, location of the restaurant and success of business in terms of profit. The rating was done by one of the staff members from 1 to 5, the scale being the least as 1 (terrible), 2 (poor), 3 (average), 4 (very good) and the most being 5 (excellent).

The questionnaire was continues with questions that dealt with a 'Yes' or 'No' option on various things from the restaurant staff related to their aspects like enthusiasm, availability, attention and visibility, in order to provide a proper customer service.

Next, a free opinion set of questions were asked to the restaurateurs asking them to write short answers in whatever manner they like based on the theme or ethnicity of food and drinks they serve, the days they are open and closed, hygiene and cleanliness issues, main customers on the basis of racial ethnicity or nationality as well as the hardest type of customers to deal with.

The final part of the questionnaire was an open question asking the staff member of the restaurants to define the terms customer service in their own words. The open question was to know as well, if the restaurants have some room for improvement.

The other part of the questionnaire were provided to the random customers asking them the same things related to the restaurant, as asked to the restaurant management. The customers were provided with the questions and were asked to answer with their honest opinions about how they were dealt by the restaurant and if they were the new, potential and return-

ing customers for the restaurants. For example, the questionnaires also were included with an aim to acquire the idea related to restaurants recognizing their new customers and dealing with them in a special way than their regular customers. If they recommend or suggest some particular food and drinks to the customers who usually are a bit unsure about what they could possibly order, if they managed to serve the order in expected time and be available for the customers whenever needed and if they showed or ushered the customers to a specific table.

The questionnaires consisted of questions related to their frequency of visit to the restaurants by the customers, who were they were then, as well. The questions included the options to choose between almost every day, at least once a week, at least once a month and so on.

The next part of the questionnaire aimed towards knowing if the customers were really satisfied with the factors of the restaurants like variety of items served, price of the menu items, sanitation issue, opening hours and location of the restaurants. Source of information about the restaurants being there in the particular locations, has been unknown to a specific population but known to all those there.

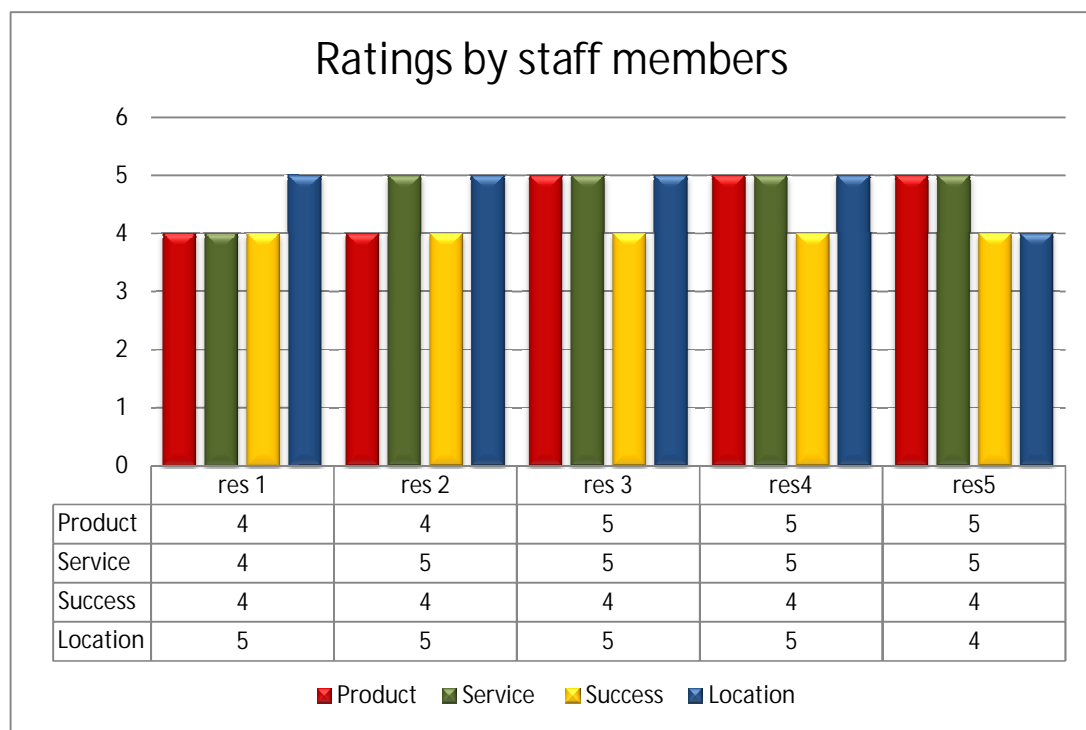
The following set of questions dealt with the customers aiming to know if they came to know about the existence of those restaurants via any of the sources mentioned in the options like family or friends, radio or TV, newspaper or magazines, internet or social media, or simply happened to pop in without a real source of information.

The final part of the questionnaire was intended to measure the satisfaction level of the customers asking if the restaurants met their expectations and how well in terms of satisfaction levels like above, far above, less, far less or exactly to their expectations.

Hence, both the perspectives of the involved restaurant and their relevant customers were gauged in order to find out the degree of differences and similarities between the two parties in most qualitative and least quantitative manner.

### 3 RESEARCH AND FINDINGS

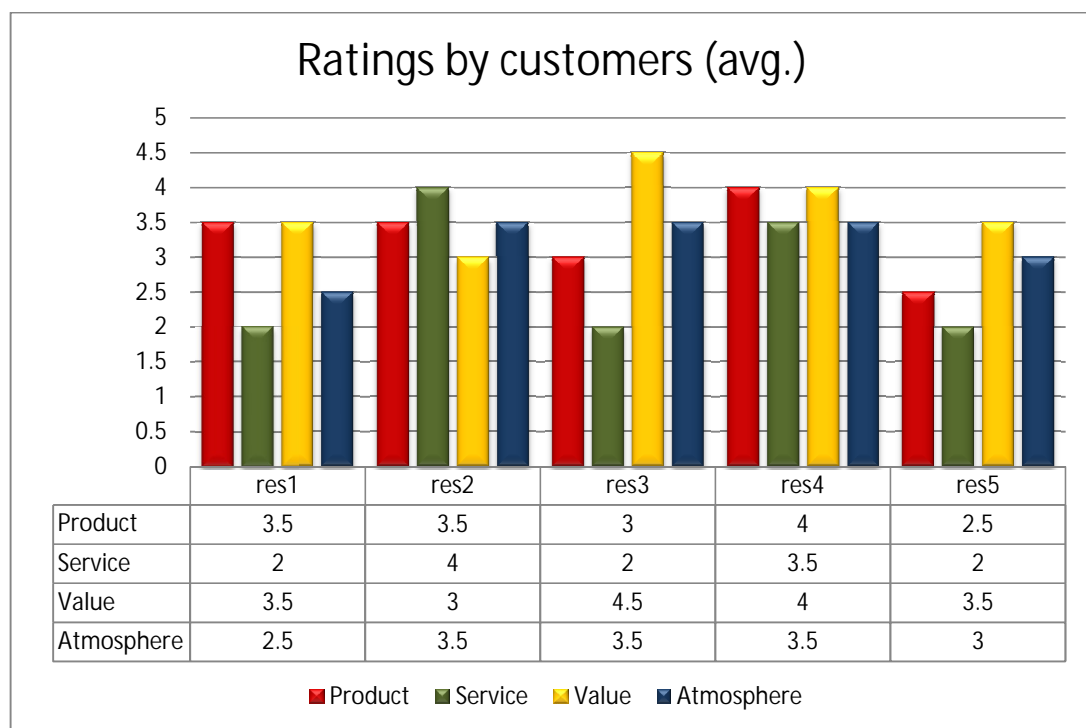
The ratings from the representatives of the restaurants were found to be almost the top level, when they were given the opportunity to rate each of their own respective restaurant. All of the restaurants rated their product, service, success and location to be either 4 or 5 out of 5. Restaurant 1 scored 4 out of 5 in the first three areas i.e. product, service and success. Restaurant 2 rated 4 out of 5 in both product and success sector whereas restaurant 3 rated themselves as 5 star in the areas like product, service and location and a 4 for success of their business. Restaurant 4 and five rated themselves as top ones in the two fields like product and service and same 4 each in the success factor, like every other restaurant, except restaurant 4 rated itself to be the rightful entity to receive 5 out of 5 in the field of location unlike restaurant 5, which rated itself to be eligible for 4 only.



GRAPH 8. The list of ratings from staff for their respective restaurant

The average ratings from the random customers were with a lot of variations in their individual opinion. Most of them rated restaurant 3 to be the best in terms of value or for what customers get for their payments. However, almost all of the restaurants were struggling in

the service area, mainly, according to the perspective of the random customers. Product as food and drinks were recorded as above average standard, including freshness and quality of ingredients, too. Restaurant 1 received, in average, from the customers 3.5 for each product and value, 2 for service and 2.5 for atmosphere. Restaurant 2 received a highest of 4 out of 5 in service area and 3.5 in product and atmosphere but 3 in the field of success. Restaurant 3 received the least of 2 in service and just 3 in product, an above average 3.5 in atmosphere but a 4.5 as top in value. Restaurant 4 received a 3.5 in each field i.e. service and atmosphere whereas a 4 in each product and value. The final restaurant, restaurant 5, received a least of 2 in service area and a bit over as 2.5 in the field of product, an average of 3 in atmosphere and a 3.5 in value.



GRAPH 9. The list of ratings (avg.) from the customers for each of the restaurants

The customers were usually noticed by the restaurateurs but not always as the first timers. Only 3 out of 5 customers were noticed as newcomers in overall situations. The rating of 2 was acquired in case of treating the first timers differently and specially than the regulars. However, restaurants are still struggling with 1 out of 5 in seemingly two categories i.e. interacting with the customers and offering the newcomers something complementary.

TABLE 1. Dealing new customers by the restaurants

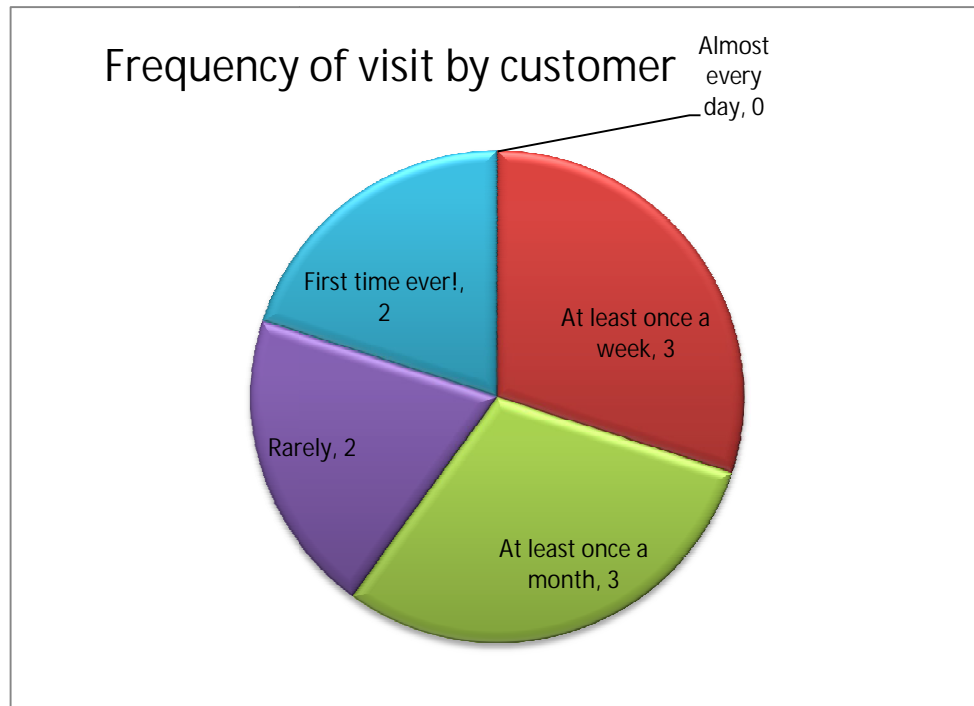
<i>Restaurants</i>	<b>res1</b>	<b>res2</b>	<b>res3</b>	<b>res4</b>	<b>res5</b>	<b>Total Y</b>	<b>Total N</b>
<b>Noticeability</b>	Y	N	N	Y	Y	3	2
<b>Interaction</b>	N	N	N	N	Y	1	4
<b>Treatment</b>	N	N	N	Y	Y	2	3
<b>Offers</b>	N	N	N	N	Y	1	4
<b>Attentiveness</b>	Y	N	N	Y	Y	3	2

Almost all the customers were greeted well by the staff in the restaurants. However, 1 out of 10 restaurateurs only greeted the customers. Only 6 out of 10 customers were either shown or ushered to their possible table, others did not care or gave the customers a free will. The same figure applied to the number of customers who were recommended with some kind of food or drink. Only half of the customers were able to receive their food in their expected time and were able to get some extra help from the staff who were visible to them.

TABLE 2. Dealing experienced by the customers

<i>Restaurants</i>	<b>res1</b>		<b>res2</b>		<b>res3</b>		<b>res4</b>		<b>res5</b>			
<b>Customers</b>	<i>cus</i> <i>1</i>	<i>cus</i> <i>2</i>	<i>cus</i> <i>1</i>	<i>cus</i> <i>2</i>	<i>cus</i> <i>1</i>	<i>cus</i> <i>2</i>	<i>cus</i> <i>1</i>	<i>cus</i> <i>2</i>	<i>cus</i> <i>1</i>	<i>cus</i> <i>2</i>	<b>Total</b> <b>Y</b>	<b>Total</b> <b>N</b>
<b>Greetings</b>	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	9	1
<b>Assistance</b>	N	Y	N	Y	N	Y	N	Y	Y	Y	6	4
<b>Recommendations</b>	N	N	Y	N	Y	N	Y	Y	Y	Y	6	4
<b>Timeliness</b>	Y	Y	N	N	Y	Y	Y	N	N	N	5	5
<b>Availability</b>	Y	N	N	Y	Y	Y	N	N	Y	N	5	5

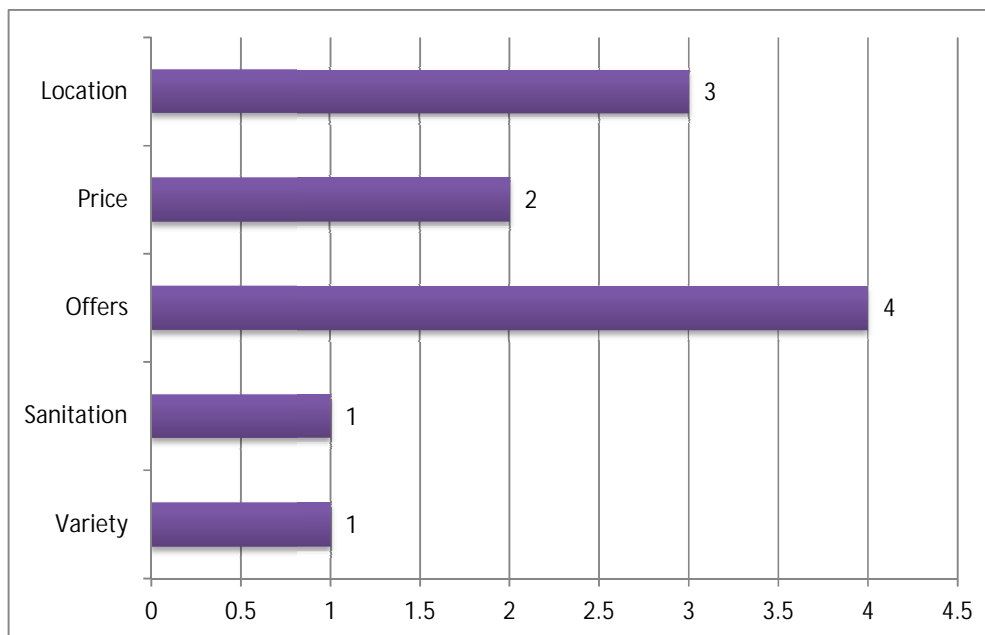
The frequency of their visit by the customers in the same restaurant where they were was recorded to be 0, when it was about visit daily or almost. 2 out of 5 customers visited the same restaurants rarely and the same number of customers visited there for the very first time. Those who visited once a week and once a month were just 3 out of 5 in number.



GRAPH 10. Frequency of visit by customers to the restaurants

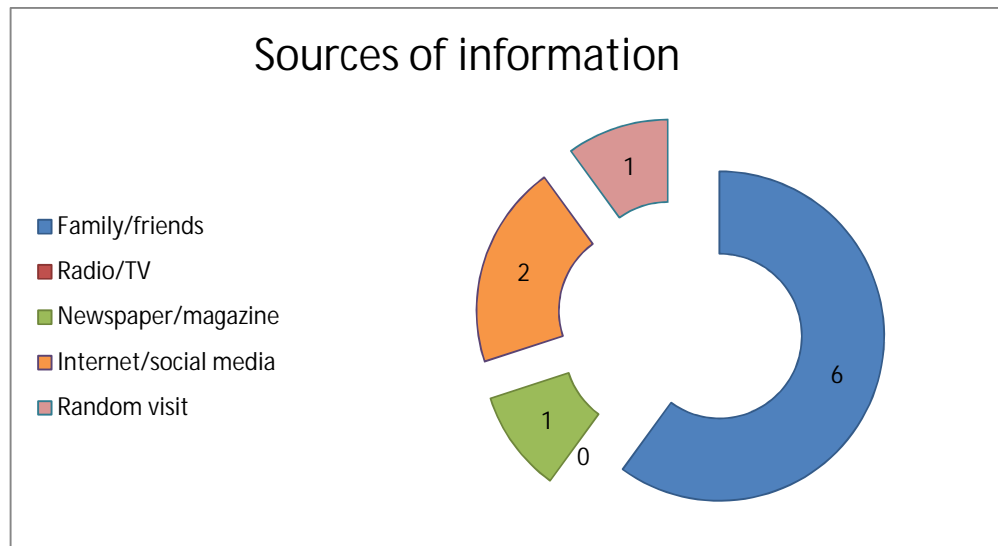
The satisfaction considering the factors like location of the restaurants, prices according to the menu, bonuses, discounts and offers, cleanliness and hygiene and the choices of food and drinks, were gauged. Offer was the most unsatisfying matter for the customers. It was the top concern for as many as 4 of the customers. The close next with 3 customers concern was location of each of the restaurants. Price has been not a big issue with any of the customers as only 2 of them reported it to be an issue, mainly in case of restaurant 5. Sanitation and variety of menu were the least concerned matters for the customers.





GRAPH 11. The possible factors of improvement in the restaurants

Most of the customers received information for the first time about the restaurants via family or friends or any other human beings. As many as 6 out of 5 customers admitted that they were told about the restaurants via the people around them. Internet or social media came to the next top place as 2 out of the total customers claimed that that was how they were informed about the restaurants they were in. A customer received the information via local newspaper or magazine. And, the last one had just a random visit. However, no customer used radio or TV as the source of information to visit any of the restaurants.



GRAPH 12. Sources of information regarding the visit by customers

The overall level of satisfaction of each the customers were measured at the respective restaurants. As many as 4 out of 10 customers were found to be satisfied with the fact that the restaurants they visited met their expectations. The number of unsatisfied customers and very unsatisfied customers were, respectively, 3 and 1. Only 2 out of the total of 10 customers reported that they were satisfied more than they expected before entering in the respective restaurants.



GRAPH 13. The level of overall restaurant customer satisfaction

Restaurant 1 has been serving the items of Vietnamese origin. Weekends have not been an option for them to close the business. They are fine with the cleanliness of the restaurant. Customers of Finnish and non-Finnish origins like Asians, Africans, Europeans, etc. has been the customers. Interacting with those customers, who knew not so much Finnish, Swedish or English, has been a tough problem for the staff.

Restaurant 2 has been providing Tex-Mex based food for all these times to its customers. Seven days a week open, is what they do. The restaurant has claimed that it has been careful in the cleanliness and hygiene matters. Most of the customers were of Finnish origin. Crying children left unattended by parents and drunken customers were found to be annoying by the staff.

Restaurant 3 has been selling cuisines of Chinese origin, basically. Sundays have been only holidays for the staff members. The hygiene situation has been good enough. More Finns than foreigner were showing up then. The staff had no idea regarding the difficulty in dealing with a particular customer, as reported.

Restaurant 4 has been known by the customers as the venue for basically the food of Finnish origin. The restaurant has not been open during the weekends. It is usually kept clean.

Finns are the almost all of their customers till date. They have not found a bad customer, yet, as they claimed.

Restaurant 5 has been serving food with Asian origin. They have been open for six days a week but Sundays were just for pre-reserved customers only. The representative opined the restaurant to be clean. Customers from Finnish and non-Finnish origins has been their customers. Surely, drunken teens were found to be the most difficult customers.

To define the term 'customer service' in own words, was asked to each of the restaurateurs. Restaurant 1 defined customer service simply as service to customers. Restaurant 2 elaborated that customer service means to take good care of your customers and treating all well and equal. They must have positive experience at first visit. Restaurant 3, as for it, customer service means serving customers with what they want and what they paid for, and communicate with them. Restaurant 4 gave the definition as selling the customers food and drinks for money. Restaurant 5 opined it as making customers feel at home, relaxed and enjoy the food and drinks.

During the time of the survey of this thesis, the following limitations were experienced first-hand at the spot of survey. They are elaborated as below:

The request to conduct the thesis survey was usually turned down by the restaurant staff/owners due to the busy schedule, as informed. Due to overwhelming number of customers during a summer season as well as weekends, the restaurant could not afford to focus on the matter provided to them about the survey more than the incoming customers. Hence, the survey on relevant to this thesis was delayed.

The survey was conducted in English. It was understandable that language could be a barrier for some but the idea was not at all based on grammatical correctness but on how the expressions were bestowed via a few words. Therefore, some customers did actually find it a bit challenging to answer the questions. However, the survey obviously, was targeted at those who could read and write a basic level of English.

By not responding to the survey questions in most cases, some of the customers exhibited their shyness and/or indifferent nature. A little to no interest was shown by the staff of a

couple of restaurants as well, despite a few requests. A few of the staff members were even seemed to be bothered by my presence one in a while to their doorsteps, not as a customer but as a person who did the survey.

First, the request for conducting the survey from within the restaurant, personally by dealing directly to customers, was not allowed in almost all the restaurants - the reason being unknown. It could not provide the survey with more lucidity to the customers as no one was there who could thoroughly explain to them, if needed be. That led to the fact the survey was conducted by the restaurants themselves on my behalf, however.

The survey was also limited somewhat to those customers who were found to be included in either/or of the categories – a customer with a fluctuated mood and/or particular health condition. For example, a handicapped customer (except the one who could read and write) would not be able to do the survey on his/her own. Likewise, a recently broken up person could not happily partake in the survey who has been bereaved due to the relationship trouble.

#### 4 CONCLUSIONS AND RECOMMENDATIONS

The staff member of each of the restaurants did confirm that their restaurant deserved the highest ratings in terms of product (food and drinks), service, success (profit) and location. Most of them were not reluctant to give their own restaurants 4 or 5 out of full 5. However, the situation was found much different when the ratings were done by the randomly chosen customers. No restaurant got over 4.5 in average. The restaurants were successful in earning good profit but could not meet the customers in service area to the optimum level. Only one restaurant (res4) has been able to deliver enough to the customers as the scores in all the areas are equal or more than 3.5, considering 3 as the average rating. In brief, the perceptions of restaurateurs and customers are somehow contradictory. Hence, satisfaction gap is still there and it symbolizes that the needs of the customers in the Kokkola region, at least where the survey was conducted, has not been met to the possible level.

New customers have been noticed by the staff in most cases and were provided some attention, too. However, in more cases, the customers were not treated better than the regular customers, were not involved in interaction and asked if they were for the first timers or least of them were offered with bonuses/discounts and treated specially. So, there has not been a policy to treat a new or first time customer in almost all of the restaurants.

Almost all the time the customers were greeted well, as they entered into the restaurants. As many as, 6 out of 10 times, the customers were ushered/assisted to get a table or recommended some food or drink, when needed. However, the customers have been experiencing half of the time only that their orders arrived in time and same with the staff being available there when needed an extra help after the arrival of the order. Timeliness and availability were needed to have some focus on by the restaurateurs.

Mostly, the customers visited between once every week to at least once a month to the same restaurant. Least of them visited more than that. Often the customers were noticed to have been passing by and trying a new restaurant randomly or just entering in according to mood or peer pressure.

Most of the customers were least concerned about the sanitary and variety issues but a bit more regarding price and location issues but a lot more concerned about the bonuses/discounts issue.

Friends and family were the best source of information, after internet/social media and newspaper/magazine to know about the existence of a restaurant in town while it was confirmed by none when it came to radio or TV as a media that helped them. A customer claimed that it was just a random visit, though.

Out of the total customers, who have taken part in the survey, only 4 of them claimed that their overall satisfaction was exactly met by the restaurants they visited then. Only 2 of them reported that their expected satisfaction level was surpassed. Thus, there has still been a room for improvement in the area of satisfaction.

The term 'customer service' has some kind of concept and meaning on the mind every restaurateur. Finns are the main customers but non-Finns also have been witnessed visiting frequently to these restaurants. The restaurants are all open during the week days but a few are also open during the weekends, which is good for both the customers and the firms. Ethnic food culture has been able to evolve further due to the presence of these restaurants. However, some of the times, the staff have been annoyed by loud children and intoxicated customers, which they found challenging.

The survey had been a bit challenging every now and there due to various factors. Since the survey was conducted during the peak season, the restaurants were filled with customers and the busy schedule limited the speed and lucidity of the survey. Unwilling or shy customers made it almost impossible and time-consuming to complete the survey smoothly.

The conclusion based on the survey is that the participants as customers did not find expected service and satisfaction to the optimum level in the restaurants they were in then. In their opinion, there is still room for improvement for the surveyed restaurants in Kokkola. The service quality has not been able to be in par with the expectations of the customers. First time customers had not been noticed and emphasized as they should have been as we know a new customer is a potential return customer, if treated well. Offers/bonuses have

not been introduced optimally in the restaurants in Kokkola. The overall satisfaction level, therefore, has not been met by the customers. Hence, the chances potential loyal customers have been minimized.

It is recommended that the restaurants take care of their new customers in a special way and provide them with special offers/bonuses and/or special discounts, in order to increase their satisfaction through improved service quality, so that the new customers become their loyal customers for the sustainability and growth of their business.

The survey conducted for this thesis is totally subjective as there were very less participants involved. Hence, it is totally subjective and cannot be generalized.

With this thesis, I had wanted to learn more about the restaurant business and food culture in Kokkola. Also, I found it pretty interesting how the ethnic food culture created diversity in this region. I have learnt that globalization and internationalism has not spared Kokkola alone. There were definitely challenges to interact and convince people visiting different restaurants. Mental stress, confusion, desperation, etc. were inevitable. Despite the challenges, there were also success factors that would be worth mentioning here. This thesis has provided an insight and a new experience in writing and helped develop interaction with random people. It has also aided as a matter of discipline and time management skills in me. Last, but not the least, it has helped me to read way more than I could have ever imagined!



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## APPENDIX 1/1

### Centria University of Applied Sciences Importance of Customer Service in Restaurants A Survey

*Dear customer, this quick survey is basically about studying the importance of customer in a few selected restaurants in the city of Kokkola. Based on your experiences, wishes and opinions, please, feel free to answer as the following questionnaire as it is totally anonymous. Thank you very much for your invaluable time, in advance!*

Please, rate *the following factors* about this restaurant between 1 and 5 where, 1 = terrible, 2 = poor, 3 = average, 4 = very good and 5 = excellent.

	1	2	3	4	5
Food	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Atmosphere	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please, answer *frankly* by choosing *any* of the following options:

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| a) Were you <i>greeted</i> by the staff when you entered in?            | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Were you <i>assisted</i> to any specific table for you?              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c) Did the staff try to <i>recommend</i> you with some food/drink?      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d) Did your order <i>arrive in</i> a good/expected <i>time</i> ?        | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| e) Were you <i>available</i> to help them if they needed anything else? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

How often do you visit this restaurant?

- |                            |                          |
|----------------------------|--------------------------|
| Almost every day           | <input type="checkbox"/> |
| At least once a week       | <input type="checkbox"/> |
| At least once a month      | <input type="checkbox"/> |
| Rarely                     | <input type="checkbox"/> |
| It is the first time ever! | <input type="checkbox"/> |

Are you fully satisfied with *these aspects* of this restaurant? *If not*, please, mark as many options as you want.

- |                         |                          |
|-------------------------|--------------------------|
| Variety of items served | <input type="checkbox"/> |
| Cleanliness and hygiene | <input type="checkbox"/> |
| Price                   | <input type="checkbox"/> |
| Opening hours           | <input type="checkbox"/> |
| Location                | <input type="checkbox"/> |

## APPENDIX 1/2

Though what *source of information* did you get to know about this restaurant?

- |                       |                          |
|-----------------------|--------------------------|
| Family/friends        | <input type="checkbox"/> |
| Radio/TV              | <input type="checkbox"/> |
| Newspaper/magazine    | <input type="checkbox"/> |
| Internet/social media | <input type="checkbox"/> |
| Random visit          | <input type="checkbox"/> |

Did *this particular restaurant* meet your expectations?

- |                                   |                          |
|-----------------------------------|--------------------------|
| Far <i>below</i> expectations     | <input type="checkbox"/> |
| Fell <i>short of</i> expectations | <input type="checkbox"/> |
| <i>Met</i> expectations           | <input type="checkbox"/> |
| <i>Surpassed</i> expectations     | <input type="checkbox"/> |
| <i>Far surpassed</i> expectations | <input type="checkbox"/> |

## APPENDIX 2

### Centria University of Applied Sciences Importance of Customer Service in Restaurants A Survey

*Dear restaurant staff, this quick survey is basically about studying the importance of customer in a few selected restaurants in the city of Kokkola. Based on your knowledge, observations and experiences, please, try to answer the following questionnaire. It is totally anonymous. Thank you very much for your invaluable time, in advance!*

Please, rate *the following factors* about *this restaurant* between 1 and 5 where, 1 = terrible, 2 = poor, 3 = average, 4 = very good and 5 = excellent.

	1	2	3	4	5
Food	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Atmosphere	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please, answer *frankly* by choosing *any* of the following options:

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| a) Do you <i>notice</i> easily if someone is a first time customer?           | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Do you <i>ask</i> at all if a customer is a first timer?                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c) Do you <i>treat</i> a new customer <i>better</i> than a regular customer?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d) Do you <i>offer</i> complementary items (e.g. free dessert to a newcomer)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| e) Do you provide a special <i>attention</i> to a new customer?               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Each of the following question demands your *free opinion* as answer.

- a) What *type/ethnicity* of food this restaurant is based on? -----
- b) Are you open on *weekends*? -----
- c) What do you think about the *hygiene* situation of this restaurant? -----
- d) Who are your *main customers* on the basis of ethnicity – Finns or non-Finns? -----
- e) What *nature* of customer do you find hard to handle? -----

Please, define *customer service* in your *own words*.

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